

RECORDATION NO. 6010^A Filed & Recorded

DEC 10 1968-9 22 AM

INTERSTATE COMMERCE COMMISSION

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I. C. C.
FEE OPERATION BR.

FIRST SUPPLEMENT TO
CHATTEL MORTGAGE, ASSIGNMENT OF RENTS
AND
SECURITY AGREEMENT

THIS SUPPLEMENTAL MORTGAGE, dated as of December 10, 1968, from BEN L. MAUSHARDT, Trustee, and D. E. MUNDELL, Successor Trustee to D. W. PATTERSON, Co-Trustees under a Trust Agreement dated as of September 16, 1968 (the "Mortgagor") whose Post Office address is 633 Battery Street, San Francisco, California 94111 to MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY (the "Mortgagee"), having its principal office at 1295 State Street, Springfield, Massachusetts 01101;

W I T N E S S E T H:

WHEREAS, The Mortgagor has heretofore executed and delivered to the Mortgagee that certain Chattel Mortgage, Assignment of Rents and Security Agreement, dated as of December 3, 1968 (the "Original Mortgage"), as security for the payment in full of the principal amount of and interest on the loan to the Mortgagor in the principal amount of \$5,150,000 made by the Mortgagee under that certain Loan Agreement dated as of September 16, 1968 (the "Loan Agreement"), between the Mortgagor and the Mortgagee; and

WHEREAS, the Original Mortgage was recorded in the Office of the Secretary of the Interstate Commerce Commission on December 3, 1968, and has been assigned Recordation No. 6010; and

WHEREAS, the Mortgagor desires to reconvey, and to confirm the lien and security interest created by the Original Mortgage in respect of a portion of the properties therein described; and

WHEREAS, all requirements of law have been fully complied with and all other acts and things necessary to make this Supplement a valid, binding and legal instrument for the security of the loan made under the Loan Agreement have been done and performed;

NOW, THEREFORE, the Mortgagor in consideration of the premises and of the sum of Ten Dollars received by the Mortgagor from the Mortgagee and other good and valuable consideration, receipt whereof is

hereby acknowledged, and in order to secure the payment of the principal of and interest on the loan made under the Loan Agreement and the payment of all other indebtedness described in the Loan Agreement and the Original Mortgage, and in each and every amendment or supplement thereto now or heretofore or hereafter executed and the performance and observance of all the covenants and conditions contained in the Loan Agreement and the Original Mortgage, and in each and every amendment or supplement thereto now or heretofore or hereafter executed, does hereby sell, convey, warrant, mortgage, assign, pledge, grant a security interest in, and hypothecate unto the Mortgagee, its successors and assigns, forever, all and singular the following described properties, rights, interests and privileges (all of which properties hereby or by the Original Mortgage mortgaged, assigned and pledged or intended so to be are hereinafter collectively referred to as the "mortgaged property"):

DIVISION I

REBUILT RAILROAD BOX CARS - GROUP A-2 EQUIPMENT

The Group A-2 Rebuilt Railroad Box Cars (the "A-2 Equipment") described in Schedule A attached hereto and made a part hereof constituting part of the Equipment leased and delivered under that certain Equipment Lease dated as of September 16, 1968 (the "Lease") between the Mortgagor, as Lessor and Penn Central Company, as Lessee ("the Lessee") and constituting a portion of the Equipment described in Schedule A of the Lease, together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the equipment hereinabove described, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any and all of said Equipment together with all the rents, issues, income, profits and avails.

DIVISION II

✓ All right, title and interest of the Mortgagor, as Lessor, in, under and to the Lease and all rents and other sums due and to become due thereunder including any and all extensions or renewals thereof insofar as the same cover or relate to the Group A-2 Equipment, (including all interim rentals but excepting and reserving, however, the initial installment of fixed rental for each Group A-2 Item of Equipment and excepting that portion of the second, third and fourth installments of fixed rental with respect to the Group A-2 Equipment expressed as 2.7527% of the cost of the Group A-2 Equipment); it being the intent and purpose thereof that the assignment and transfer to the Mortgagee of said rents and other sums due and to become due under the Lease shall be effective and operative immediately and shall continue in full force and effect and the Mortgagee shall have the right to collect and

receive said rents and other sums for application in accordance with the provisions of Section 3 of the Original Mortgage at all times during the period from and after the date hereof until the indebtedness secured by the Original Mortgage as now or hereafter supplemented has been fully paid and discharged.

SUBJECT, HOWEVER, to (a) the right, title and interest of the Lessee under the Lease, and (b) the lien of current taxes and assessments not in default, or, if delinquent, the validity of which is being contested in good faith.

TO HAVE AND TO HOLD the property described in the Original Mortgage and in this Supplement, and all other property mortgaged under the Original Mortgage unto the Mortgagee and its assigns forever for the uses and purposes in the Original Mortgage set forth.

SECTION 1. GENERAL COVENANTS AND WARRANTIES:

1.1. Performance Under the Loan Agreement. The Mortgagor covenants and agrees well and truly to perform, abide by and to be governed and restricted by each and all of the terms, provisions, restrictions, covenants and agreements set forth in the Loan Agreement and the Original Mortgage, and in each and every supplement thereto or amendment thereof which may at any time or from time to time be executed and delivered by the parties thereto or their successors and assigns, all of said terms, provisions, restrictions, covenants and agreements being hereby ratified, approved and confirmed.


1.2. Warranty of Title. The Mortgagor is lawfully seized and possessed of the Equipment described in Division I of the granting clause hereof and has good right, full power and authority to convey, transfer and mortgage the Equipment to the Mortgagee for the uses and purposes herein set forth; the Equipment described in said Division I is owned by the Mortgagor free from any and all liens and encumbrances (excepting only the lien of current ad valorem taxes not in default and the right, title and interest of the Lessee under the Lease); and the Company will warrant and defend the title thereto against all claims and demands whatsoever (excepting only the right, title and interest of the Lessee under the Lease).


SECTION 2. MISCELLANEOUS.

2.1. All the covenants, premises and agreements in this Supplement contained by or on behalf of the Mortgagor or by or on behalf of the Mortgagee, shall bind and inure to the benefit of the respective successors and assigns of such parties whether so expressed or not.

2.2. This Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together only one instrument.

IN WITNESS WHEREOF, the Mortgagor has caused this Supplement to be executed, all as of the day and year first above written.


not individually but solely as
Trustee as aforesaid


not individually but solely as
Trustee as aforesaid

STATE OF CALIFORNIA

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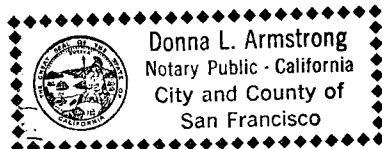
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CITY AND COUNTY OF SAN FRANCISCO

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On this 4th day of December, 1968, before me personally appeared Ben L. Maushardt, to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

(SEAL)



My commission expires:
My Commission Expires November 3, 1970

Donna L. Armstrong

STATE OF CALIFORNIA

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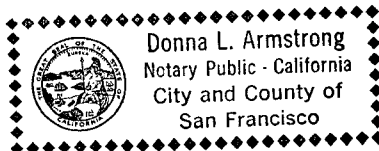
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CITY AND COUNTY OF SAN FRANCISCO

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On this 4th day of December, 1968, before me personally appeared D. E. Mundell, to me known to be the person described in and who executed the foregoing instrument and he acknowledged that he executed the same as his free act and deed.

(SEAL)



My commission expires:
My Commission Expires November 3, 1970

Donna L. Armstrong

SCHEDULE A

Group A-2 Equipment

No. of Units:

200

Description:

50-ft. rebuilt box cars bearing
Penn Central identification Nos.

	261641	261765	261851
261501	261643	261766	261852
261503	261648	261769	261853
261515	261652	261771	261857
261518	261653	261772	261858
261524	261654	261773	261859
261529	261655	261776	261861
261530	261656	261778	261862
261536	261667	261780	261863
261537	261668	261782	261864
261544	261669	261787	261865
261547	261670	261788	261867
261553	261672	261789	261871
261557	261674	261791	261873
261558	261677	261792	261874
261560	261678	261797	261876
261562	261679	261798	261880
261563	261682	261799	261882
261564	261683	261804	261883
261565	261684	261805	261885
261566	261690	261806	261890
261567	261691	261807	261892
261572	261693	261811	261893
261573	261695	261812	261897
261575	261704	261814	261898
261576	261707	261815	261901
261577	261709	261818	261903
261579	261711	261820	261904
261580	261713	261821	261909
261582	261714	261822	261913
261583	261715	261823	261923
271584	261717	261825	261933
261586	261719	261826	261936
261588	261723	261827	261938
261589	261724	261828	261939
261590	261725	261830	261941
261594	261730	261832	261946
261595	261732	261833	261952
261597	261733	261834	261953
261600	261735	261838	261954
261601	261742	261839	261955
261603	261743	261840	261958
261616	261745	261842	261959
261618	261750	261843	261961

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